

Message Text

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PAGE 01 MANILA 01546 301033Z
ACTION EA-12

INFO OCT-01 ISO-00 EB-08 SSO-00 INR-07 INRE-00 IGA-02
L-03 SS-15 SP-02 /050 W
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O 300852Z JAN 78
FM AMEMBASSY MANILA
TO SECSTATE WASHDC IMMEDIATE 998

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E.O. 11652: N/A
TAGS: EAID, EFIN, RP
SUBJECT: PROPOSED IBRD LOAN TO PRIVATE DEVELOPMENT CORPORATION
OF THE PHILIPPINE (PDCP)

1. EMBASSY OFFICER HAS HAD AN OPPORTUNITY TO DISCUSS FURTHER
THE ANTICIPATED USE OF PROCEEDS FROM PROPOSED LOAN WITH
PDCP PRESIDENT VICENTE JAYME. JAYME SAID THE OBJECTS OF
REACHING THE NEEDY AND LABOR INTENSIVITY WERE OF GREAT
INTEREST TO IBRD MISSION WHICH APPRAISED THE LOAN, WERE
DISCUSSED EXTENSIVELY, AND HE PRESUMED THIS WAS REFLECTED
IN THEIR REPORT. (EMBASSY HAS NOT YET RECEIVED COPY OF LOAN
APPRAISAL DOCUMENT.)

2. JAYME SAID THAT PDCP MUST RESPOND TO THE NEEDS OF THE
OVERALL ECONOMY; THEREFORE, THE PROCEEDS FROM THE PROPOSED
LOAN WOULD RESPOND TO ALL TYPES OF PROJECTS AND CUT ACROSS
SMALL, MEDIUM, AND SOME LARGE PROJECTS. HE EMPHASIZED,
HOWEVER, THAT THE VALUATION PROCESS FOR PROJECTS NOW
EXPLICITLY INCLUDES THE NEW OBJECTIVE OF LABOR INTENSIVENESS.
THIS MUST BE SPELLED OUT IN ALL FUTURE LOAN PROPOSALS, TO BE
CONSIDERED ALONG WITH THE OTHER "NATIONAL ECONOMIC
INTEREST" CRITERIA; I.E., EMPLOYMENT GENERATION GENERALLY,
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FOREIGN EXCHANGE EARNING OR CONSERVATION, AND USE OF
DOMESTIC RESOURCES. JAYME REITERATED THAT LABOR
INTENSIVITY CAME OUT AS A MAJOR POINT IN DISCUSSIONS WITH
THE IBRD, AND THAT THIS WOULD CLEARLY WEIGH AS AN IMPORTANT
FACTOR IN LOAN EVALUATIONS. HE SAID THAT A SEPARATE LOAN
(TO BE AVAILABLE TO A WIDER RANGE OF LENDING INSTITUTIONS
THAN JUST PDCP) IS UNDER CONSIDERATION BY IBRD FOR THE

SPECIFIC PURPOSE OF LENDING IN AREAS OF URBAN POVERTY.

3. COMMENT: TO SUMMARIZE WHAT WE HAVE LEARNED AND REPORTED, PDCP SEES ITS RESPONSIBILITY AS DIRECTED TOWARD A RANGE OF INDUSTRIAL PROJECTS. THESE PROJECTS SHOW A GOOD GEOGRAPHICAL DISTRIBUTION BETWEEN THE UNDER-EMPLOYED PROVINCES AND MANILA, WHERE THOUSANDS OF JOB-SEEKERS COME IN EVERY MONTH. THE PROJECTS ARE INCREASINGLY SMALLER AND MORE LABOR INTENSIVE. LABOR INTENSIVITY IS NOW ESTABLISHED AS ONE OF THE APPRAISAL CRITERIA.
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Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DEVELOPMENT LOANS
Control Number: n/a
Copy: SINGLE
Draft Date: 30 jan 1978
Decaption Date: 20 Mar 2014
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978MANILA01546
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780044-0175
Format: TEL
From: MANILA
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t1978018/aaaaagmx.tel
Line Count: 73
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 57a4eae4-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: STADIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: STADIS
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 03 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3799424
Secure: OPEN
Status: NATIVE
Subject: PROPOSED IBRD LOAN TO PRIVATE DEVELOPMENT CORPORATION OF THE PHILIPPINE (PDCP)
TAGS: EAID, EFIN, RP, IBRD
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/57a4eae4-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014